GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2145
ANSWERED ON:11.03.2013
RATE OF IMPORT AND EXPORT
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the export of rice, wheat, pulses and sugar are made at subsidised rates and if so, the details thereof and the reasons therefor;

(b) the details of the import prices of these agricultural products along with their respective export prices;

(c) whether the growing difference between the import and export prices has adversely affected the economy of the country;

(d) if so, the reaction of the Government thereto;

(e) whether there has been wastage of these commodities while in transit; and

(f) if so, the details thereof and the reasons therefor along with the steps being taken by the Government to prevent such wastages at the time of their export and import?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

(a) Government. has allowed export of non-basmati rice and wheat under Open General licence with effect from 09.09.2011. Export of Pulses (except Kabuli Chana) is prohibited. Export of Sugar is currently free subject to registration with Directorate General of Foreign Trade. Also in view of record production and procurement of foodgrains in the Central Pool stocks and to overcome the temporary constraints of storage space, the Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 03.07.2012 took a decision to allow export of 20 lakh tons of wheat from Central Pool Stocks at the cost determined by individual tenders subject to the floor price of US $ 228 per metric ton. Further, the CCEA in its meeting held on 26-12-2012 approved export of an additional quantity of 25 lakh tons of wheat from Central Pool on the same terms and conditions subject to the floor price of US$ 300 per ton. Central PSUs undertake export/import of these items as per the decision of the Government from time to time.

Under the current export programme, as per the global tenders finalised for export of wheat from Central Pool stocks various Indian ports, the weighted average sale rate of wheat during 2012-13 has been US $ 314.54 (Rs. 16,985.16) per metric ton. (1 US$ = Rs. 54.00) as against the economic cost of wheat for 2012-2013 (Revised Estimates of Rs. 17989.60 per metric ton.

(b) The details of import and export of rice, wheat, pulses and sugar with value and quantity made during the current year 2012-13 (upto December,2012) is given below:

Item	Export(P)		Import(P)	
	Quantity (MT)	Value (Rs.Crore)	Quantity (MT)	Value (Rs.Crore)
Rice	74,89,599	23,786.81	480	2.67
Wheat	42,89,088	6,749.21	1,547	2.81
Pulses	1,15,473	814.17	29,14,526	9463.58
Sugar	25,48,136	7,845.25	7,00,727	1992.53

Source: DGCI&S, P: Provisional

(c) The export of agricultural products depends on various factors including availability of surplus over and above the requirement of buffer stock including strategic reserve, concerns of food security, diplomatic/humanitarian considerations, international demand and supply situation, quality standards in the importing countries, varieties traded and price competitiveness, need to balance between remunerative prices to the growers and availability of agricultural products to common man at affordable prices. The Government takes into the above factors before deciding on the export of agricultural commodities. In the international trade, a country exports only those goods which are available in abundance and there is comparative cost advantages and imports items which are required by it in its domestic market. Therefore, import and export prices of these commodities are strictly speaking, not comparable.

(d) Does not arise.

(e & f) Assistance is provided by Agricultural and Processed Food Products Export Development Authority (APEDA) to the registered exporter to strengthen infrastructure for post harvest handling, storage and transportation to prevent wastage of export products at different stages of supply chain.